

**Exhibit 1**

Reply Brief in Support of  
Dr. Abdullah Bin Abdul Mohsen Al-Turki's  
Motion to Dismiss the Third Amended Complaint

03 MDL No. 1570 (RCC) / C.A. No. 03-CV-9849 (RCC)

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# CIVIL CODE OF SPAIN

TRANSLATED, WITH AN INTRODUCTION AND INDEX

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## **Title II Of Contracts**

### **Chapter I General Provisions**

**Art. 1254.** A contract exists from the time one or several persons consent to obligate themselves with respect to another, or others, to give a thing or to perform a service.

**Art. 1255.** Contracting parties may establish whatever agreements, clauses, and conditions they wish, provided that the same are not contrary to the law, good morals, or public policy.

**Art. 1256.** The validity and performance of contracts cannot be left up to the discretion of one of the parties.

**Art. 1257.** Contracts produce effects between the contracting parties and their heirs only, except for, with respect to the heirs, cases in which the rights and obligations arising from the contract are not transferable because of their nature, or by agreement or disposition of the law.

If the contract contains a stipulation in favor of a third party, the third party may demand its fulfillment, provided that he makes his acceptance known to the obligor before the stipulation is revoked.

**Art. 1258.** Contracts are perfected by the mere consent of the parties. From that moment they obligate the performance of not only what was expressly agreed, but also of all the consequences that, according to its nature, are in conformity with good faith, uses, and the law.

**Art. 1259.** No person may contract in the name of another without being authorized by the principal or being, by disposition of the law, his legal representative.

A contract made in another's name by a person having no authorization from the principal, or who is not his representative by operation of law, shall be null, unless it is ratified by the person in whose name it was entered into prior to revocation by the other contracting party.

**Art. 1260.** No oath shall be admitted in contracts. If an oath is given, it shall be considered not made.

## **Chapter II**

### **Of the Essential Requirements for the Validity of Contracts**

#### **General Provision**

**Art. 1261.** There is no contract unless the following requirements are met:

- 1) Consent of the contracting parties.
- 2) A certain object that is the subject matter of the contract.
- 3) A cause of the obligation that is established.

#### **Section One. Of Consent**

**Art. 1262.** Consent is manifested by the concurrence of the offer and the acceptance on the thing and the cause that will constitute the contract.

An acceptance made by letter does not obligate the offeror until it comes to his knowledge. In such a case, the contract is presumed to be formed at the place where the offer was made.

**Art. 1263.** The following may not give consent

- 1) Unemancipated minors.
- 2) Crazy or insane individuals and deaf-mutes who do not know how to write.

*As amended by Law 14/1975 of May 2.*

**Art. 1264.** The incapacity set forth in the preceding article is subject to modifications provided by law, and is without prejudice to special incapacities that the law establishes.

**Art. 1265.** Consent given through error, violence, intimidation, or fraud is null.

**Art. 1266.** In order for error to invalidate consent it must fall on the substance of the thing that is the object of the contract, or on those conditions thereof that were the principal motive for entering the contract.

An error on the person shall invalidate the contract only when the consideration of the person was the principal cause of the contract.

A mere error in computation shall only give rise to its correction.

**Art. 1267.** There is violence when an irresistible force is used to obtain consent.

There is intimidation when one of the contracting parties is instilled with the rational and well-founded fear of suffering an imminent and serious harm in his person or property, or in the person or property of his spouse, descendants, or ascendants.

In order to assess the intimidation, attention is paid to the age and condition of the person.

The fear of displeasing persons to whom submission and respect are due shall not be grounds for annulment of the contract.

*As amended by Law 11/1990 of October 15.*

**Art. 1268.** Violence or intimidation shall annul the obligation, even when employed by a third party who did not intervene in the contract.

**Art. 1269.** There is fraud when through insidious words or connivances on the part of one of the contracting parties the other is induced to enter a contract that he would not, otherwise, have made.

**Art. 1270.** In order for fraud to produce the nullity of a contract, it must be serious and must not have been employed by both contractors.

Incidental fraud merely obligates the perpetrator to make reparation in damages.

## **Section Two. Of the Object of Contracts**

**Art. 1271.** All things, including future ones, that are not out of commerce may be the object of contracts.

No contract may, however, be made concerning a future inheritance, except for those involving the *inter vivos* division of an estate pursuant to Article 1056.

All services that are not contrary to the laws or good morals may also be the object of contracts.

**Art. 1272.** Impossible things or services may not be the object of contracts.

**Art. 1273.** The object of every contract must be a thing determined as to species. A lack of determination concerning quantity shall not be an obstacle for the existence of the contract, provided that it is possible to determine it without the necessity of a new agreement between the parties to the contract.

### **Section Three. Of the Cause of Contracts**

**Art. 1274.** In onerous contracts, the performance or promise by the other party of a thing or a service shall be considered as the cause for each contracting party; in remunerative contracts, the service or benefit being remunerated; and in those of pure charity, the mere liberality of the benefactor shall be the cause.

**Art. 1275.** Contracts without a cause, or with an unlawful cause, produce no effect. A cause is unlawful when it is contrary to law or good morals.

**Art. 1276.** The expression of a false cause in a contract shall be grounds for its nullity unless it is proven that it was founded on another cause that was true and lawful.

**Art. 1277.** Cause is presumed to exist and to be lawful, even though it is not expressed in the contract, as long as the debtor does not prove the contrary.

### **Chapter III Of the Effectiveness of Contracts**

**Art. 1278.** Contracts shall be obligatory, regardless of the form in which they are entered, provided that they contain the essential elements required for validity.

**Art. 1279.** If the law requires the execution of a document or other special formality to render effective the obligations that arise from a given contract, the parties may mutually compel each other to fulfill such formal requirement from the moment that consent and other elements necessary for the validity of the contract are present.



**Art. 1280.** The following must be executed by public instrument:

1) Acts and contracts having as their object the creation, transfer, modification, or extinction of real rights over immovable things.

2) Leases of six years or more over those same assets, in order that they might be effective against third parties.

3) Matrimonial contracts and amendments thereto.

4) Assignments, repudiations, and renunciations of inheritance rights, or those arising from the conjugal partnership.

5) A power of attorney to contract marriage; a general power of attorney to litigate and special powers of attorney that must be introduced in a law suit; a power of attorney to administer assets; and any other power of attorney having as an object an act that has been drawn, or that must be drawn, in a public instrument or which is to affect third parties.

6) An assignment of actions or rights arising from an act evidenced by a public instrument.

All other contracts in which the amount of the performances of one, or both, of the contracting parties exceeds 1500 *pesetas* must also be reduced to writing, which writing may be a private document.

*As amended by Law 11/1981 of May 13.*

## **Chapter IV**

### **Of the Interpretation of Contracts**

**Art. 1281.** When the terms of a contract are clear and leave no doubt concerning the intention of the contracting parties, the literal sense of its clauses shall govern.

If the words appear contrary to the obvious intention of the contracting parties, the intention shall prevail over the words.

**Art. 1282.** In order to judge the intention of the contracting parties, attention shall principally be